

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**THIRTY SECOND MONTHLY FEE STATEMENT OF FTI CONSULTING, INC. FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD FROM
MARCH 1, 2022 THROUGH MARCH 31, 2022**

Name of Applicant:

FTI Consulting, Inc.

Authorized to provide Professional Services
to:

Official Committee of Unsecured Creditors

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Date of Retention: December 19, 2018, *nunc pro tunc* to
October 25, 2018

Period for which compensation and
reimbursement is sought: March 1, 2022 through March 31,
2022

Monthly Fees Incurred: \$43,240.50

Monthly Expenses Incurred: \$0.00

Total Fees and Expenses: \$43,240.50

This is a: X monthly _____ interim _____ final application

This statement (the “**Fee Statement**”) of FTI Consulting, Inc. (together with its wholly owned subsidiaries and independent contractors, “**FTI**”) as financial advisor to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, *et al.* (the “**Committee**”) is submitted in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No.796] entered on November 16, 2018, (the “**Order**”). In support of this Fee Statement, FTI respectfully states as follows.

1. The fees and expenses for the period from March 1, 2022 through and including March 31, 2022 (the “**Thirty Second Fee Period**”) amount to:

Professional Fees	\$43,240.50
Expenses	<u>0.00</u>
TOTAL	<u>\$43,240.50</u>

2. In accordance with the Order, if no timely and proper objection is made by a party-in-interest within fifteen (15) days after service of this Fee Statement, the Debtors are authorized to pay 80% of professional fees and 100% of out-of-pocket expenses. These amounts are presented below.

Professional Fees at 80%	\$34,592.40
Expenses at 100%	<u>0.00</u>
TOTAL	<u>\$34,592.40</u>

3. The professionals providing services, hourly billing rates, the aggregate hours worked by each professional, and the aggregate hourly fees for each professional during the Thirty Second Fee Period are set forth on the schedule annexed hereto as **Exhibit “A.”**

4. A summary of aggregate hours worked and aggregate hourly fees for each task code during the Thirty Second Fee Period is set forth on the schedule annexed hereto as **Exhibit “B.”**

5. Detailed time entry by task code during the Thirty Second Fee Period is set forth on the schedule annexed hereto as **Exhibit “C.”**

6. A summary of expenses incurred during the Thirty Second Fee Period is set forth on the schedule annexed hereto as **Exhibit “D.”**

7. Detailed breakdown of the expenses incurred during the Thirty Second Fee Period is set forth on the schedule annexed hereto as **Exhibit “E.”**

8. FTI reserves the right to request, in subsequent fee statements and applications, any fees and reimbursement of any additional expenses incurred during the Thirty Second Fee Period, as such fees and expenses may not have been captured to date in FTI’s billing system.

NOTICE AND OBJECTION PROCEDURES

9. Notice of this Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji (email: mmeghji@miiipartners.com); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attention: Ray C. Schrock (email: ray.schrock@weil.com), Jacqueline Marcus (email: jacqueline.marcus@weil.com), Garrett A. Fail (email: garrett.fail@weil.com), and Sunny Singh (email: sunny.singh@weil.com); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg (e-mail: paul.schwartzberg@usdoj.gov) and Richard Morrissey (e-mail: richard.morrissey@usdoj.gov); and (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake (email: paul.leake@skadden.com), Shana A. Elberg (email: shana.elberg@skadden.com) and George R. Howard (email: george.howard@skadden.com); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 (email: harnerp@ballardspahr.com); and (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott (email: marriott@ballardspahr.com) and Tobey M. Daluz (email: daluzt@ballardspahr.com) (collectively, the “Notice Parties”).

10. Objections to this Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than July 7, 2022 (the “Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

11. If no objections to this Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

12. If an objection to this Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

Dated: New York, New York
June 22, 2022

FTI CONSULTING, INC.
Financial Advisors to the Official Committee of
Unsecured Creditors of Sears Holdings Corporation

By: /s/ Matthew Diaz
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EXHIBIT A

**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538
SUMMARY OF HOURS BY PROFESSIONAL
FOR THE PERIOD MARCH 1, 2022 TO MARCH 31, 2022**

Professional	Position	Specialty	Billing Rate	Total Hours	Total Fees
Diaz, Matthew	Sr Managing Dir	Restructuring	1,200	0.9	\$ 1,080.00
Butterfield, Linda	Managing Director	FLC - Risk & Investi	720	21.9	15,768.00
Harsha, Adam	Director	FLC - Risk & Investi	690	34.3	23,667.00
Shapiro, Jill	Sr Consultant	Restructuring	655	2.1	1,375.50
Causton, Daniel	Consultant	FLC - Risk & Investi	400	3.0	1,200.00
Hellmund-Mora, Marili	Associate	Restructuring	300	0.5	150.00
TOTAL				62.7	\$ 43,240.50

EXHIBIT B

SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538

SUMMARY OF HOURS BY TASK

FOR THE PERIOD MARCH 1, 2022 TO MARCH 31, 2022

Task Code	Task Description	Total Hours	Total Fees
16	Analysis, Negotiate and Form of POR & DS	0.3	\$ 360.00
18	Potential Avoidance Actions & Litigation	59.2	40,635.00
22	Meetings with Other Parties	0.5	327.50
24	Preparation of Fee Application	2.7	1,918.00
TOTAL		62.7	\$43,240.50

EXHIBIT C

SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538

DETAIL OF TIME ENTRIES

FOR THE PERIOD MARCH 1, 2022 TO MARCH 31, 2022

Task Category	Date	Professional	Hours	Activity
16	3/29/2022	Diaz, Matthew	0.3	Review next steps re: mediation.
16 Total			0.3	
18	3/8/2022	Butterfield, Linda	0.5	Participate in call with Akin re: asset investigation.
18	3/11/2022	Butterfield, Linda	1.3	Conduct research and analysis to assist Counsel with asset investigation.
18	3/14/2022	Butterfield, Linda	2.8	Analyze records in connection with asset investigation.
18	3/15/2022	Butterfield, Linda	1.8	Analyze state records re: asset investigation.
18	3/16/2022	Butterfield, Linda	2.3	Conduct analysis re: asset investigation.
18	3/17/2022	Butterfield, Linda	2.0	Prepare analysis re: asset investigation.
18	3/17/2022	Harsha, Adam	2.4	Review and analyze filings.
18	3/17/2022	Harsha, Adam	3.2	Prepare preliminary corporate records research in connection with Akin request.
18	3/18/2022	Harsha, Adam	1.8	Extract and process historical filings in connection with asset investigation.
18	3/18/2022	Harsha, Adam	2.1	Prepare preliminary analysis in connection with asset investigation.
18	3/21/2022	Butterfield, Linda	1.0	Conduct nationwide UCC searches to identify assets in connection with Akin request.
18	3/21/2022	Harsha, Adam	3.2	Review structured finance and fixed income public records.
18	3/21/2022	Harsha, Adam	2.8	Review transactions since 2018.
18	3/22/2022	Harsha, Adam	1.1	Review public records in connection with Akin request.
18	3/22/2022	Harsha, Adam	3.8	Prepare analysis re: asset investigation.
18	3/23/2022	Butterfield, Linda	2.8	Conduct research re: asset investigations.
18	3/24/2022	Butterfield, Linda	2.8	Conduct research to identify securities owned by Lampert Foundation and E. Lampert.
18	3/25/2022	Causton, Daniel	2.5	Conduct asset research.
18	3/28/2022	Harsha, Adam	3.7	Review asset research analysis.
18	3/28/2022	Harsha, Adam	3.3	Review Lands' End equity and debt structure for ESL and Lampert ownership analysis.
18	3/29/2022	Butterfield, Linda	2.0	Conduct public records research re: asset investigations.
18	3/29/2022	Harsha, Adam	3.5	Conduct analysis in connection with Akin request.
18	3/29/2022	Harsha, Adam	3.4	Review Seritage equity and debt structure for ESL and Lampert ownership analysis.
18	3/30/2022	Butterfield, Linda	0.8	Summarize research of assets to date.
18	3/31/2022	Butterfield, Linda	1.8	Analyze ESL Investment holdings.
18	3/31/2022	Causton, Daniel	0.5	Conduct property and asset research.
18 Total			59.2	
22	3/3/2022	Shapiro, Jill	0.5	Prepare for and participate in call with creditor.
22 Total			0.5	
24	3/25/2022	Diaz, Matthew	0.6	Review the monthly fee statement.
24	3/25/2022	Shapiro, Jill	1.6	Prepare November 2021 through February 2022 fee statement.
24	3/28/2022	Hellmund-Mora, Marili	0.5	Update and finalize the November 2021 through February 2022 fee statement.
24 Total			2.7	
Grand Total			62.7	

EXHIBIT D

SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538

SUMMARY OF EXPENSES

FOR THE PERIOD MARCH 1, 2022 TO MARCH 31, 2022

Expense Type	Amount
Not Applicable in this month.	

EXHIBIT E**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538****EXPENSE DETAIL****FOR THE PERIOD MARCH 1, 2022 TO MARCH 31, 2022**

Date	Professional	Expense Type	Expense Detail	Amount
Not Applicable in this month.				